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May 9, 2012

TO: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM:

Wendy L. Watanabe
Auditor-Controller

A handwritten signature in blue ink, reading "Wendy L. Watanabe", is written over the printed name and title.

SUBJECT: **FOOTHILL FAMILY SERVICE – A DEPARTMENT OF PUBLIC SOCIAL
SERVICES DOMESTIC VIOLENCE SUPPORTIVE SERVICES
PROGRAM PROVIDER – CONTRACT COMPLIANCE REVIEW**

We completed a review of Foothill Family Service (FFS or Agency), a Department of Public Social Services' (DPSS) Domestic Violence Supportive Services (DVSS) Program provider. Our review covered a sample of transactions from Fiscal Years (FY) 2010-11 and 2011-12. DPSS contracts with FFS, a non-profit organization, to provide services to eligible participants who have been victims of domestic violence. DVSS Program services include performing assessments, facilitating shelter assistance, and providing legal assistance to the victims.

The purpose of our review was to determine whether FFS appropriately accounted for and spent DVSS Program funds to provide the services outlined in their County contract. We also evaluated the Agency's accounting records, internal controls, and compliance with their contract and other applicable guidelines.

DPSS paid the Agency approximately \$328,000 on a cost-reimbursement basis during FY 2010-11. FFS provides services to residents of the First and Fifth Supervisorial Districts.

Results of Review

FFS maintained adequate financial controls, and appropriately charged expenditures to the DVSS Program. In addition, FFS' staff had the required qualifications, and the Agency's Cost Allocation Plan was prepared in compliance with the County contract, and was used to allocate shared costs appropriately. The Agency did not have any unspent DVSS Program funds. We have no findings or recommendations for the Agency.

Review of Report

We discussed our report with FFS and DPSS in February 2012. FFS is not required to submit a response to this report, because there are no findings or recommendations.

We thank FFS management for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

WLW:JLS:DC:AA:JS

Attachment

c: William T Fujioka, Chief Executive Officer
Sheryl L. Spiller, Acting Director, Department of Public Social Services
Stephen H. Watkins, Board Chair, FFS
Helen Morran-Wolf, Chief Executive Officer, FFS
Public Information Office
Audit Committee

**FOOTHILL FAMILY SERVICE
DOMESTIC VIOLENCE SUPPORTIVE SERVICES PROGRAM
CONTRACT COMPLIANCE REVIEW
FISCAL YEARS 2010-11 and 2011-12**

ELIGIBILITY

Objective

Determine whether Foothill Family Service (FFS or Agency) provided services to individuals who met the Domestic Violence Supportive Services (DVSS) Program eligibility requirements.

Verification

We reviewed the case files for nine (9%) of the 105 participants who received services from FFS during September and October 2011 for documentation to confirm their eligibility for DVSS Program services.

Results

FFS had documentation to support the nine participants' eligibility for DVSS Program services.

Recommendation

None.

PROGRAM SERVICES

Objective

Determine whether FFS provided the services required by their County contract and DVSS Program guidelines. In addition, determine whether the Program participants received the billed services.

Verification

We visited one (20%) of the five FFS service sites, and reviewed the case files for nine (9%) of the 105 participants who received services during September and October 2011.

Results

FFS provided services in accordance with the County contract.

Recommendation

None.

STAFFING QUALIFICATIONS**Objective**

Determine whether FFS staff had the qualifications required by the County contract.

Verification

We reviewed the personnel files for six (11%) of the 56 FFS employees who worked on the DVSS Program.

Results

FFS' staff had the required qualifications.

Recommendation

None.

CASH/REVENUE**Objective**

Determine whether FFS recorded cash receipts and revenue properly in the Agency's financial records, and that cash receipts were deposited in the Agency's bank accounts timely.

Verification

We interviewed FFS management, and reviewed the Agency's financial records and October 2011 bank reconciliations.

Results

FFS recorded cash receipts and revenue properly, and deposited cash receipts timely.

Recommendation

None.

EXPENDITURES/PROCUREMENT**Objective**

Determine whether expenditures charged to the DVSS Program were allowable under the County contract, properly documented, and accurately billed.

Verification

We interviewed FFS' personnel, and reviewed financial records and documentation for \$2,506 in non-payroll expenditures, that the Agency charged to the DVSS Program during September and October 2011.

Results

FFS' DVSS Program non-payroll expenditures were allowable, properly documented, and accurately billed.

Recommendation

None.

PAYROLL AND PERSONNEL**Objective**

Determine whether FFS charged payroll costs to the DVSS Program appropriately, and obtained required criminal background clearances and employment eligibility for the Agency's DVSS Program staff.

Verification

We traced the payroll costs for six employees, totaling \$8,351, for September 2011 to the Agency's payroll records and time reports. We also interviewed staff, and reviewed personnel files for six FFS DVSS Program staff.

Results

FFS appropriately charged payroll costs to the DVSS Program, and obtained background clearances and employment eligibility for their DVSS Program staff.

Recommendation

None.

COST ALLOCATION PLAN**Objective**

Determine whether FFS' Cost Allocation Plan was prepared in compliance with their County contract, and was used to allocate shared costs appropriately.

Verification

We reviewed the Agency's Cost Allocation Plan, and a sample of expenditures from September and October 2011.

Results

FFS' Cost Allocation Plan was prepared in compliance with the County contract, and the Agency allocated their shared costs appropriately.

Recommendation

None.

CLOSE-OUT REVIEW**Objective**

Determine whether FFS had any unspent revenue for the DVSS Program for Fiscal Year (FY) 2010-11.

Verification

We traced the total revenues and expenditures from FFS' FY 2010-11 close-out report to the Agency's accounting records, and to DPSS' payment records.

Results

FFS did not have any unspent revenue for the DVSS Program for FY 2010-11.

Recommendation

None.